

United States Senate

WASHINGTON, DC 20510

November 20, 2017

Timothy J. Sloan
CEO
Wells Fargo
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Sloan:

We write to express our concern at recent reports that Wells Fargo continues to offshore American jobs. We call on Wells Fargo to do right by its employees and halt the expansion of overseas call centers that has cost American jobs.

Wells Fargo's pattern of abuse against consumers has been well-documented over the last year, as has its mistreatment of employees. Investigations by federal banking regulators¹, the Los Angeles City Attorney², the United States Congress³, and an independent law firm hired by Wells Fargo's own board⁴ revealed that Wells Fargo's sales incentive program was harmful to its workers. Frontline employees who did not meet unrealistic sales goals were threatened with termination, and then blamed for Wells Fargo's unethical practices when the scandal became public. Whistleblowers who stood up to management were dismissed, while the executives responsible retired comfortably after forfeiting undeserved bonuses.

These practices were symptoms of a business model that sought to inflate the value of the company's stock and enrich executives at the expense of working people. While you have assured our colleagues on the Banking Committee that Wells Fargo has learned from its mistakes, the company's actions demonstrate that its business model has not changed.

That's why we are concerned about news reports that Wells Fargo has been steadily laying off U.S. workers and shipping their jobs overseas for several years. In the last few months alone, the bank has laid off approximately 460 call center workers in Pennsylvania⁵, 120 in South Carolina⁶, and 72 in Washington⁷. In 2011, the bank laid off 190 call center employees in

¹ "Lessons Learned Review of Supervision of Sales Practices at Wells Fargo." Office of Enterprise Governance and the Ombudsman, Office of the Comptroller of the Currency. April 19, 2017. Page 4 accessed at: <https://www.occ.gov/publications/publications-by-type/other-publications-reports/pub-wells-fargo-supervision-lessons-learned-41917.pdf>

² LA City Attorney Complaint re: Wells Fargo Sales Practices. Page 4, accessed at: <http://freepdfhosting.com/c7384fa6fc.pdf>

³ Hearing of the United States Senate Committee on Banking, Housing and Urban Affairs entitled, "An Examination of Wells Fargo's Unauthorized Accounts and the Regulatory Response." September 20, 2017. Available at: <https://www.banking.senate.gov/public/index.cfm/hearings?ID=B80F9B81-4331-4F95-91BC-718288EC9DA0>

⁴ "Independent Directors of the Board of Wells Fargo & Company Sales Practices Investigation Report." April 10, 2017. Page 7, accessed at: <https://www08.wellsfargomedia.com/assets/pdf/about/investor-relations/presentations/2017/board-report.pdf>

⁵ <http://6abc.com/careers/wells-fargo-call-center-to-close-in-bethlehem/2547360/>

⁶ <http://www.charlotteobserver.com/news/business/banking/article179747451.html>

⁷ <https://www.vbjsa.com/news/top-stories/wells-fargo-cut-72-jobs-close-vancouver-call-center/>

Pennsylvania⁸. More than 300 Wells call center employees lost their jobs in California in 2012⁹. And 1,000 Wells call center workers were laid off in Wisconsin in 2015.¹⁰ In contrast, since 2011, Wells has increased the size of its Philippines-based call center from 100 to more than 4,000.¹¹ A second Wells' Philippines call center facility is currently under construction, where 7,000 additional employees are expected to be hired.¹²

When Senator Donnelly asked about these layoffs during the U.S. Senate Banking Committee hearing on October 3, 2017, you said, "When we look at how to best serve our customers, it makes sense to have folks around the world so that we can continue working through a 24-hour day and not run a night shift, for example, somewhere. [...] In terms of how to efficiently and effectively run our business, we want to make sure our people are in the right place." American workers have the skills necessary to meet all of your customer service needs. We are concerned that offshoring is really an effort to take advantage of low wages abroad and move Wells Fargo employees to a place where they will not have workplace protections like the whistleblower who had their job restored by the Department of Labor.¹³

We know that the bank's past efforts to "efficiently and effectively run" the business have harmed both its account holders and its employees. Now, your offshoring tactics are hurting workers and their communities. This is yet another naked attempt to boost Wells' value on Wall Street at the expense of workers and customers on Main Street. As the bank seeks to repair the damage to its reputation and reaffirm its commitment to both account holders and its employees, it should prove that commitment to communities across the country by preventing any additional call center jobs from being shipped overseas and reshoring those positions that have already been offshored.

In light of the bank's violations of customers' trust and mistreatment of their workers, we oppose the expansion of your overseas call center operations at the expense of American workers. We look forward to hearing from you about your plans to reinvest in American call center workers and their communities.

Sincerely,



Sherrod Brown
United States Senator



Joe Donnelly
United States Senator

⁸ http://www.lehighvalleylive.com/bethlehem/index.ssf/2011/03/wells_fargo_cutting_jobs_in_be.html

⁹ <http://www.ocregister.com/2012/03/21/wells-fargo-bank-to-close-santa-ana-call-center/>

¹⁰ <http://archive.jsonline.com/business/wells-fargo-cutting-1000-home-loan-servicing-jobs-b99469057z1-297533411.html/>

¹¹ <http://www.businesswire.com/news/home/20170508005563/en/Wells-Fargo-Opens-New-Recruitment-Center-Designed>

¹² <http://www.businesswire.com/news/home/20170508005563/en/Wells-Fargo-Opens-New-Recruitment-Center-Designed>

¹³ <https://www.osha.gov/news/newsreleases/national/04032017>